

January 20, 1999

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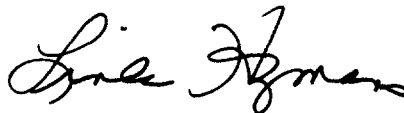
VIA AIRBORNE EXPRESS OVERNIGHT
Office of the Secretary
Federal Communications Commission
445 Twelfth St., S.W.
Room TW-A325
Washington, D.C. 20554

RE: **CC Docket No. 92-237** and **NSD File No. L-98-151**-- *In the Matter of Request of Lockheed Martin Corporation and Warburg, Pincus & Co. For the Review of the Transfer of the Lockheed Martin Communications Industry Services Business from the Lockheed Martin Corporation to an Affiliate of Warburg, Pincus & Co.*

Dear Secretary:

Enclosed please find the original and four copies of the questions approved today for submission to the FCC by the Public Utility Commission of Texas in the above-referenced docket. These are being provided to you pursuant to the public notice issued on January 7, 1999, regarding this docket. If there are any questions, please contact me at the phone number listed below. Thank you.

Sincerely,



Linda Hymans
Sr. Utility Analyst
(512) 936-7321
(512)936-7328/fax

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	§	
Request of Lockheed Martin	§	
Corporation and Warburg, Pincus & Co.	§	
For the Review of the Transfer of the	§	CC Docket No. 92.237
Lockheed Martin Communications	§	NSD File No. L-98-151
Industry Services Business from the	§	
Lockheed Martin Corporation to an	§	
Affiliate of Warburg, Pincus & Co.	§	

**QUESTIONS OF
THE PUBLIC UTILITY COMMISSION OF TEXAS ON
THE TRANSFER OF THE LOCKHEED MARTIN
COMMUNICATIONS INDUSTRY SERVICES DIVISION**

The Federal Communications Commission (FCC) published a notice on January 7, 1999, of a December 21, 1998 filing by Lockheed Martin IMS Corporation (Lockheed Martin) of a Request for Expeditious Review of the Transfer of the Lockheed Martin Communications Industry Services (CIS) Business to a new independent company, Warburg, Pincus & Co.¹ (Warburg). The CIS business unit of Lockheed Martin IMS currently serves as the North American Numbering Plan Administrator (NANPA). The Common Carrier Bureau (CCB) of the FCC seeks input from the public on issues that the FCC should address in considering this matter.

¹ In the Matter of Request of Lockheed Martin Corporation and Warburg, Pincus & Co. for Review of the Transfer of the Lockheed Martin Communications Industry Services Business from Lockheed Martin Corporation to an Affiliate of Warburg, Pincus & Co., CC Docket No. 92-237, NSD File No. 98-151 (Dec. 21, 1998) (Lockheed Martin Request).

The CCB also recognizes that the NANC's recommendation that Mitretek serve as the alternate NANPA, to assume NANPA responsibilities for the remainder of the five-year term should Lockheed Martin not perform the NANPA functions in a satisfactory fashion, was adopted by the FCC. The CCB notes that Mitretek has urged the FCC to name it the designated alternate as the NANPA successor to Lockheed Martin.² The CCB seeks input on issues and questions regarding whether Mitretek should be the successor to CIS.

The comment cycle includes a period for the submission of issues and/or questions that should be addressed by Lockheed Martin and Mitretek before the FCC reaches a determination on the Lockheed Martin Request. All issues and/or questions must be filed with the CCB on or before January 22, 1999.

The Public Utility Commission of Texas (PUCT) submits the following questions regarding the sale of CIS to Lockheed Martin and Warburg:

1. Does Warburg's investment in telecommunications service providers violate the neutrality requirements of the NANPA? Should a "de minimis" violation of neutrality be acceptable in the NANPA?
2. Explain in detail how the sale of CIS to Warburg is being financed?
3. How will the CIS/Warburg commitment not to exceed the 10% investment in any telecommunications service provider be monitored and maintained?
4. Who will absorb the costs for the transition from LM to CIS/Warburg?

² See, e.g., Letter from Dr. H. Gilbert Miller, Vice President, Center for Telecommunications and Advanced Technology, Mitretek, to Lawrence E. Strickling, Chief, Common Carrier Bureau, FCC, dated Dec. 8,

5. How will the transition from CIS to Warburg be accomplished?
6. When will the transition be complete?
7. Why is LM retaining a 5% interest in the CIS management unit?
8. Why does Warburg want to purchase LM-CIS?
9. How does Warburg expect that the acquisition of LM-CIS will “generate returns on investments?” (Notice Pg 12)
10. Will Warburg’s primary goal to generate returns on investments from a numbering administration unit impact its neutrality?
11. How does LM-CIS come to the conclude that it has “met or exceeded all industry and regulatory objectives in a timely and professional manner?” Has a performance review been completed of LM-CIS?

The PUCT also submits the following questions regarding Mitretek:

1. How long does Mitretek anticipate that the transfer of NANPA functions will take and how will it be accomplished?
2. Why does Mitretek still want to perform the NANPA functions?
3. Does Mitretek still have the financial resources to perform the NANPA functions?
4. How has Mitretek been involved in numbering issues since 1997 when LM-IMS was selected as NANPA?
5. Does Mitretek intend to fulfill the current NANPA agreement for the same price or will it stand by its original bid?
6. Does Mitretek expect the NANPA functions to be a profit-making business?
7. Who will absorb the costs for the transition from LM to Mitretek?
8. Has Mitretek established any affiliations with telecommunications providers that could compromise its neutrality since its initial bid to provide NANPA services?

Wherefore the PUCT requests the CCB to require Lockheed Martin, Warburg and Mitretek to respond to the preceding questions.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Linda Hymans". The signature is fluid and cursive, with the first name "Linda" and last name "Hymans" clearly distinguishable.

Linda Hymans
Sr. Utility Analyst
Public Utility Commission of Texas
1701 N. Congress Ave., Austin, TX 78711
512-936-7321

On behalf of the PUCT